



## MINUTES

### FINANCE AND AUDIT COMMITTEE MEETING

Wednesday, July 17, 2024, 9:00 A.M.  
Shaw Auditorium, Vancouver Island Conference Centre  
80 Commercial Street, Nanaimo, BC

- Members: Mayor Krog Chair  
Councillor S. Armstrong  
Councillor H. Eastmure  
Councillor B. Geselbracht  
Councillor E. Hemmens  
Councillor I. Thorpe  
Councillor J. Perrino\*  
Councillor P. Manly
- Absent: Councillor T. Brown
- Staff: D. Lindsay, Chief Administrative Officer  
L. Mercer, General Manager, Corporate Services  
B. Sims, General Manager, Engineering and Public Works  
W. Fulla, Director, Finance  
J. Holm, Director, Planning and Development  
D. Osborne, Director, Recreation and Culture  
M. Bryson, Acting Director, Facility and Parks Operations  
K. Robertson, Deputy Corporate Officer  
N. Sponaule, Communications Advisor  
J. Tonella, Recording Secretary

#### 1. CALL THE MEETING TO ORDER:

The Finance and Audit Committee Meeting was called to order at 9:00 a.m.

\*Denotes electronic meeting participation as authorized by "Council Procedure Bylaw 2018 No. 7272"

**2. ADOPTION OF AGENDA:**

It was moved and seconded that the Agenda be adopted. The motion carried unanimously.

**3. ADOPTION OF MINUTES:**

It was moved and seconded that the Minutes of the Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, on Wednesday, 2024-JUN-19, at 9:00 a.m. The motion carried unanimously.

**4. PRESENTATIONS:**

a. Chuck Loewen, General Manager, Vancouver Island Conference Centre re: Vancouver Island Conference Centre Financial Update

- The Vancouver Island Conference Centre (VICC) was part of the New Nanaimo Centre Project in 2008 and the City invested \$74 million
- The VICC's role is to create a positive economic impact, stimulate growth for the City, and to provide cultural enrichment for the community
- Three areas of revenue sources include space rental, food and beverage commissions, and audio-visual commissions
- A key piece in VICC's success is the Tourism Nanaimo Society, as prior to 2023, Tourism Nanaimo and Nanaimo Hospitality Association (NHA) had little involvement in business tourism
- The VICC started working with the Marriott Hotel in late 2021 for room blocks for conventions which is another key piece to the VICC's success
- Downtown now has almost 500 rooms within a 5-minute walk
- The VICC shifted their focus to more profitable events such as conferences versus meetings, as those have the greatest economic impact
- Conferences, meetings, and banquets are the three largest categories of events the VICC hosts
- Conference business has doubled since 2021 and is now 50% of the VICC's bookings
- The VICC's projected gross revenue for 2023 was \$2,583,421; however, it came in at \$2,971,943
- The annual economic impact for 2024 is currently at \$6,357,848 and is projected to be at \$11,779,992

- Since the VICC opened, it has had an accumulated economic impact of \$111 million
- Due to financial success in 2023, the VICC was able to provide the City with a \$291,487 return on investment
- In 2024 the City has budgeted to invest \$1,039,413 in the VICC

Committee and Staff discussion took place. Highlights included:

- Potential collaboration with the museum
- The VICC works collaboratively with Destination Marketing, does cold calling, and attends different shows to bring in business
- The VICC is alternating hosting the Association of Vancouver Island and Coastal Communities (AVICC) conference between Nanaimo and Victoria
- Revitalization of Commercial Street will help with business
- Would like to host trade shows at the VICC and at Frank Crane Arena
- Nanaimo has cost and location advantages compared to Victoria and Vancouver
- An additional \$100,000 is budgeted on top of the VICC's annual 2024 budget for the building's capital expenses
- The VICC's elevator schedule has been changed to increase accessibility

## 5. REPORTS:

### a. Nanaimo Curling Club Chiller Failure

Darcie Osborne, Director, Recreation and Culture, noted that Tom Weinreich, President, Nanaimo Curling Club (the club), presented on the Nanaimo Curling Club's mechanical chiller failure at the 2024-JUN-19 Finance and Audit Committee meeting. Council then passed a motion for Staff to prepare a report on the conditions of the club and to provide options in assisting the club to secure an operational chiller for the upcoming season.

Mike Bryon, Acting Director, Facility and Parks Operations, provided additional information. Highlights included:

- Options to secure an operational chiller include re-building the damaged portion of the unit, new replacement of the system and chiller, or replacing with a refurbished unit
- The refurbished unit can be installed in time for the upcoming curling season

- A Geotechnical Report, Seismic Project Identification Report, and a facility assessment have been done over the years and used in the condition assessment of the facility
- Facility issues including the leaking roof, unlevel slab, and the pad leaking brine have been addressed and are being maintained
- The refurbished plate and frame chiller would have a lifespan of at least 10 years

Committee and Staff discussion took place regarding Staff preparing a report to explore different options on the long-term viability of the Nanaimo Curling Club.

It was moved and seconded that the Finance & Audit Committee recommend that Council provide a grant of \$67,950 to the Nanaimo Curling Club towards the purchase of a refurbished plate and frame chiller funded from the Strategic Infrastructure Reserve Fund. The motion carried unanimously.

b. 2025 55+ BC Games Advance of Funds

Darcie Osborne, Director, Recreation and Culture, noted that the Board of Directors and staff for the 2025 55+ BC Games determined that there was a need to access funding prior to the funds Council had allocated for 2025 to assist with office supplies, transportation, and accommodations for board members to attend the 2024 games in Salmon Arm. Some funding from the BC Senior Games Society will be available in November.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to amend the 2024 – 2028 Financial Plan to accelerate \$16,000 of the \$60,000 budgeted for the 55+ BC Summer Games from 2025 to 2024. The motion carried unanimously.

c. 2024 Cultural and Special Events Grant Funding Reallocation

Introduced by Darcie Osborne, Director, Recreation and Culture.

- The Nanaimo Chapter of the Federation of Canadian Artists notified Staff that they would be cancelling their Spring Fine Arts Show
- They will be returning their grant of \$2,200 as organizations must return awarded funding if they are not able to fulfill their plans
- Staff have reviewed the Downtown Event Revitalization Fund allocations and applications for 2024
- The two recommended organizations would receive an additional \$1,100

- Both organizations did not receive their full request initially

It was moved and seconded that the Finance & Audit Committee recommend that Council approve reallocation of declined 2024 Culture & Event Downtown Event Revitalization Funds as follows:

Applicant Name: Downtown Nanaimo Business Association

Event: Winterfest

Recommended: \$1,100

Applicant Name: Nanaimo International Jazz Festival Association

Event: Jazz Festival 2024

Recommended: \$1,100

The motion carried unanimously.

d. Heritage Home Grant Application - 167 Irwin Street

Jeremy Holm, Director, Planning and Development, noted that this grant supports maintenance of heritage buildings in Nanaimo.

Chris Sholberg, Community Heritage Planner, noted that this is Phase Two of this project as Council considered an application for this building in 2021. This grant will be the remainder of what is available in the Heritage Home Grant.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve a \$793.75 Heritage Home Grant to repaint a portion of the exterior of the Land "Fernville" Residence at 167 Irwin Street. The motion carried unanimously.

e. Regional District of Nanaimo Wellington Pump Station Cost Share Project

Introduced by Bill Sims, General Manager, Engineering and Public Works.

- The Regional District of Nanaimo (RDN) operates the Wellington Pump Station and the City's sewer collection system dumps into it
- The RDN's upgrades to the Wellington Pump Station could put the City's sewer system at significant risk, so this is an opportunity for the City to upgrade the pipes adjacent to the Wellington Pump Station
- The RDN will undertake the work and the City would contribute the funds

Committee and Staff discussion took place and noted that there is sufficient funding for this project as there is currently \$11.8 million in the Sewer Operating Reserve.

It was moved and seconded that the Finance and Audit Committee recommend that Council enter into a cost share agreement with the Regional District of Nanaimo to complete a sewer main replacement in conjunction with the Wellington Pump Station Upgrades project and add a project to 2024 for \$400,000 for the work, funded from the Sewer Operating Reserve. The motion carried unanimously.

f. Quarterly Budget Transfer Report

Introduced by Laura Mercer, General Manager, Corporate Services.

- A requirement of the City's budget transfer policy is to disclose to Council when a transfer results in a new project over \$75,000, a transfer over \$100,000, or a delay or cancellation of a project
- There have been four instances listed in the Staff report in Quarters One and Two of 2024 where the transfers were over \$100,000 or have been delayed or cancelled

**6. QUESTION PERIOD:**

The Committee received no questions from the public regarding agenda items.

**7. ADJOURNMENT:**

It was moved and seconded at 9:57 a.m. that the meeting adjourn. The motion carried unanimously.

CERTIFIED CORRECT:

---

CHAIR

---

DEPUTY CORPORATE OFFICER